October 31, 2008

Jesse Marquez
Executive Director
Coalition For A Safe Environment
P. O. Box 1918
Wilmington, CA 90748

Reference: Proposed Title V Permit for ConocoPhillips Company, Carson Refinery

Dear Mr. Marquez:

Thank you for your letter of August 5, 2008, regarding the proposed initial Title V permit for ConocoPhillips Company, Carson Refinery (ConocoPhillips Carson) located at 1520 E. Sepulveda Blvd., Carson, CA 90745. Your interest and willingness to express your concern is the type of public involvement that is crucial to the effort to achieve healthful air quality in Southern California.

By proposing to issue a Title V permit to ConocoPhillips Carson refinery, the South Coast Air Quality Management District (AQMD) is implementing the Title V requirements of the 1990 Clean Air Act (federal CAA) amendments. The Title V program is designed to provide a consistent permitting process for major stationary sources and sources subject to Federal Regulations such as Title IV Acid Rain Program, New Source Performance Standards, or National Emission Standards for Hazardous Air Pollutants. While the AQMD has had an air permit program for many decades that focused on sources of emissions within facilities, the Title V process consolidates these sources and their requirements into one document in order to provide a comprehensive compliance document. In addition, Title V permit program enhances monitoring, reporting and recordkeeping requirements, as well as public participation. Another major benefit of the Title V program is that facility operators will have increased compliance accountability.

In your letter, you requested the AQMD to deny the Title V permit application for ConocoPhillips Carson because you believed that this Title V permit application is inadequate and provided a number of reasons. We thank you for your letter and in regards to your comments, below please find the following general responses for the proposed Title V permit for ConocoPhillips Carson:

- Please note that the proposed Title V permit is not for construction of new emission units or increasing the emissions and therefore does not trigger the requirements for Best Available Control Technology (BACT). The Carson refinery has been operating their facility under the equipment-based permits, and the subsequent RECLAIM facility permit, issued by AQMD and its predecessor at the current location for several decades. The facility is currently in compliance with all local, state and federal air quality rules and regulations.
- Pursuant to Title V of the federal CAA, ConocoPhillips Carson is required to submit an

application so that AQMD can re-issue their existing RECLAIM facility permit into the form of a Title V permit. Under this initial Title V permit application, ConocoPhillips Carson does not propose any changes to their refining operations or any increase in emissions from their facility. This initial Title V permit will contain all of the emission limits and operating conditions contained in the existing permit as well as additional monitoring requirements. It will also require additional recordkeeping requirements, mandatory reporting of any violations of permit conditions, and annual certification by the responsible official that the facility is in compliance with all applicable requirements. The initial Title V permit will be enforceable by the AQMD, the federal government, and citizens. We believe that the issuance of the initial Title V permit to ConocoPhillips Carson does not trigger any CEOA or other requirements identified in your letter.

- Under the state law, California Air Resources Board (CARB) is the agency responsible
  for implementation of the AB32 and Global Warming / Greenhouse Gases provisions of
  the state law. Therefore, as CARB finalizes its regulations, ConocoPhillips Carson and
  any other company subject to the requirements of such regulations must comply with
  such requirements. In addition, as indicated earlier the issuance of the Title V permit for
  this facility by itself does not trigger CEQA requirements or any Greenhouse Gas
  requirements.
- Finally, all commercial and industrial facilities must comply with the local agency requirements associated with any storage or handling of acutely hazardous material and need to comply with risk management and prevention plan requirements typically enforced by the local fire departments.

In conclusion, aside from the above responses to your comments, the proposed issuance of the Title V permit to ConocoPhillips Carson refinery does not trigger many of the requirements referenced in your August 5, 2008 letter, nor does Title V program require implementation of several of the measures you have referenced in your letter. As a result, AQMD has determined that it is appropriate to proceed with the issuance of the initial Title V permit for ConocoPhillips Carson.

Please also be advised that anyone experiencing air quality problems such as dust or odors may file a complaint with AQMD by calling 1-800-CUT SMOG (1-800-288-7664) at any time, 24 hours per day. In addition to responding to public complaints, the AQMD will conduct frequent unannounced inspections to confirm that ConocoPhillips Carson is operating in compliance with all of the applicable air quality rules, regulations and permit conditions. Thank you again for taking the time to provide comments and respond to the public notice.

Very truly yours,

Charles Tiper, con Jay Chen, P.E.

Senior Engineering Manager

Refinery & Waste Management Permitting

Engineering and Compliance